Disinvestment of PSUs and amount spent for retirement/post retirement benefits to its employees

11. SHRI B.J.PANDA: Will the Minister of DISINVESTMENT be pleased to state:

(a) the norms prescribed by the Government for the disinvestment of Public Sector Undertakings (PSUs);

(b) the PSUs which have been divested, so far, and amount earned through disinvestment of those PSUs;

(c) the PSUs proposed to be divested in 2001-2002; and

(d) the details of amount spent or likely to be spent to provide retirement/post retirement benefits to the employees made to retire as a result of this disinvestment?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Disinvestment is being considered and carried out in various Public Sector Enterprises in accordance with the declared disinvestment policy of the Government. According to it, in generality of the cases, Government will bring down its equity to 26% or below in all non-strategic Central Public Sector Undertakings. The strategic public sector enterprises are those in the areas of arms and ammunitions and the allied items of defence equipments etc.; atomic energy except in the areas relating to generation of nuclear power and applications of radiation, radio isotopes to agriculture, medicine in non-strategic industries; and railway transport. This policy covers all Central Public Sector Undertakings.

(b) A statement indicating the names of PSUs, which have been disinvested so far, is given (*See* below). The Government realized Rs. 18,638 crores from disinvestment of equity in various PSUs between 1991-92 and 1999-2000. Further, an amount of Rs. 551.50 crores was realized by way of disinvestment of 51% equity in BALCO during the year 2000-2001.

(c) The enterprises in which process of disinvestment is currently in progress are:

Air India, CMC Ltd., Hindustan Copper Ltd. (Phase-I), Hindustan Insecticides Ltd., Hindustan Organic Chemicals Ltd., Hindustan Zinc Ltd., Indian Airlines, IBP Ltd., Indian Petrochemicals Corpn. Ltd., Indian Tourism Development Corpn. Ltd., Madras Fertilizers Ltd., Minerals and Metals Trading Corporation Ltd., National Fertilizers Ltd., Paradeep Phosphates Ltd., Sponge Iron India Ltd., State Trading Corpn. Ltd., Hindustan Cables Ltd., Instrumentation Ltd. ITDC Joint Ventures, Jassop and Co. Ltd., NEPA Ltd., Tungabhadra Steel Products Ltd., Videsh Sanchar Nigam Ltd., Bharat Brakes and Valves Ltd., HTL, NIDC, Maruti Udyog Ltd., Bharat Heavy Plates & Vessels, Hindustan Salts and Engineering Projects (India) Ltd.

(d) Disinvestment is aimed at improving the performance of the Public Sector Enterprises and strengthening these industries financially, which should result in increasing the job opportunities in these companies. As such, disinvestment is not aimed to make the employees retire. However, a provision is normally made in agreement documents to ensure that in case of reduction of employee strength, the VRS offered by the company after the disinvestment is not less favourable than the VRS offered by the PSU before disinvestment.

Statement

PSU-wise percentage of disinvestment and present Government share holding

S. No.	Name of the PSE	As on 31.03.2001	
		Percentage of Disinvestment	Percentage of Government holding
1	2	3	4
1.	Andrew Yule	9.60	62.84**
2.	Bharat Earth Movers Ltd.	39.19*	60.81
3.	Bharat Electronic Ltd.	24.14	75.86

1	2	3	4
4.	Bharat Heavy Electricals Ltd.	32.28	67.72
5.	Bharat Petroleum Corp. Ltd.	33.80	66.20
6.	Bongaigaon Refineries & Petro Chem. Ltd.	25.54	74.46
7.	CMC Ltd.	16.69	83.31
8.	Cochin Refineries Ltd.	6.12	55.04**
9.	Container Corp. of India Ltd.	36.92	63.08
10.	Dredging Corp. of India Ltd.	1.44	98.56
11.	Engineers India Ltd.	5.98	94.02
12.	Fert & Chem. (Travancore) Ltd.	1.70	97.38**
13.	Gas Authority of India Ltd.	32.66	67.34
14.	HMT Ltd.	8.44	91.56
15.	Hindustan Cables Ltd.	1.04	98.96
16.	Hindustan Copper Ltd.	1.24	98.76
17.	Hindustan Organic Chemical Ltd.	41.39*	58.61
18.	Hindustan Petroleum Ltd.	48.94*	51.06
19.	Hindustan Photofilms Mfg. Co. Ltd.	9.87	90.13
20.	Hindustan Zinc Ltd.	24.08	75.92
21.	Indian Oil Corp. Ltd.	17.85	82.03
22.	Indian Petro Chemicals Corp. Ltd.	40.05*	59.95
23.	IRCON International Ltd.	0.27	99.73
24.	Indian Telephone Industries Ltd.	22.98	76.67**
25.	India Tourism & Dev. Corp.	10.03	89.97
26.	Kudremukh Iron & Ore Comp. Ltd.	1.00	99.00
27.	Madras Refineries Ltd.	16.92	53.80**
28.	Mahanagar Telephone Nigam Ltd.	43.80*	56.20
29.	Minerals & Metals Trading Corpn. Ltd.	0.67	99.33
30.	National Aluminium Ltd.	12.85	87.15
31.	National Fertilizers Ltd.	2.35	97.65
32.	National Mineral Dev. Corp. Ltd.	1.62	96.36**
33.	Neyveli Lignite Corp.	6.01	93.99
34.	Oil & Natural Gas Corp.	16.36	83.64

1	2	3	4
35.	Rashtriya Chemicals & Fert. Ltd.	7.50	92.50
36.	Shipping Corp. of India Ltd.	19.88	80.12
37.	State Trading Corp.	8.97	91.03
38.	Steel Authority of India Ltd.	14.18*	85.82
39.	Videsh Sanchar Nigam Ltd.	47.04	52.96
40.	Modern Foods Industries Ltd.	74.00	26.00
41.	BALCO	41.00	49.00

*Including dilution of Government Share holding by public Issue/ GDR Issue.

**The balance equity is held between State Goverments/other collaborators.

Protection of interest of SC/ST employees after disinvestment of BALCO

12. SHRI ANANTA SETHI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the disinvestment process of Bharat Aluminium Company (BALCO) has been completed;

(b) if so, the details of the steps taken to protect the interest of the workers, particularly SC/ST since the disinvestment process started?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The disinvestment of 51% equity held by the Government in BALCO, in favour of a Strategic Partner, has been completed.

(b) The provision in the Share Holders Agreement, signed with the strategic partner for disinvestment in BALCO, protecting the interests of the workers are given in the Statement (*See* below). The specific provision, in regard to SC/ST employees, is in Recital 'J', of the Agreement.